Amendments to the Specification

Please replace the paragraph beginning on page 9, line 24, with the following amended paragraph:

Figure 8 is a flowchart showing the steps of a method according to an embodiment of the present invention performed on a point of sale terminal as shown in ~~figure 8~~ **Figure 7**.

Please replace the paragraph beginning on page 13, line 1, with the following amended paragraph:

The modem control function is responsible for formatting data for transmission, removing formatting from received data, and operating the modem. The card reading function receives data from the magnetic strip reader and extracts the card details from this data. The operator interface receives data from the keypads, responds to the data and outputs messages to the display unit when required. The authorisation function is responsible for generating and sending an authorisation request to the authorisation host and for processing an authorisation or rejection code received from the host. The bank reference table is a table that stores the leading digits of individual issuers of credit/debit cards in the world and identifies an associated currency code for each issuer. The currency rate management is responsible for determining an appropriate exchange rate for a transaction and for maintaining a table of exchange rates. The terminal configuration function is used to enable a terminal to be configured for individual merchants, locations different merchants, etc. by permitting modification of a number of

parameters. Examples of these parameters may include one or more of the following; Minimum Transaction Value for Conversion, Maximum Transaction Value for Conversion, Authorisation Limit/ Floor Limit, Correct Date, Correct Time, Maximum Time between Batch-Ins, Host Identification Number, 1st System Host Telephone Number, 2nd System Host Telephone Number, 1st Authorisation Telephone Number, 2nd Authorisation Telephone Number, Next System Batch Number, Modem Speed, Base Currency Code, Merchant Master Number, Merchant Currency Numbers and Terminal Identification code. In order to operate correctly the terminal must be configured with all of these parameters. However, the terminal may operate in a limited fashion if a reduced number of parameters have been entered. Additional parameters to process an individual transaction may also have to **be** stored before the transaction may be processed, e.g. an appropriate Bank reference Table and/or the currency rates for the transaction date. The printer control function formats data and outputs the formatted data to the printer as required. The authorisation/collection host communication function controls the interaction of the terminal with authorisation and communication hosts. The reporting and batching function stores the transactions as they are entered and the collates them and forwards the resulting collated data to the collection host when the collection host is connected to the terminal.